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## Unemployment rate remains at 3.9%

Media Release

Released 16/06/2022

§ Source: Labour Force, Australia, May 2022

The seasonally adjusted unemployment rate remained at 3.9 per cent in May 2022, according to data released today by the Australian Bureau of Statistics (ABS).

### Employment, hours worked and participation

Seasonally adjusted employment increased by 61,000 people (0.5 per cent) in May 2022.

Bjorn Jarvis, head of labour statistics at the ABS, said: "The 61,000 increase in the number of employed people in May followed a smaller increase of 4,000 people in April, which coincided with Easter, school holidays, impacts from floods and ongoing disruptions associated with the Omicron variant.

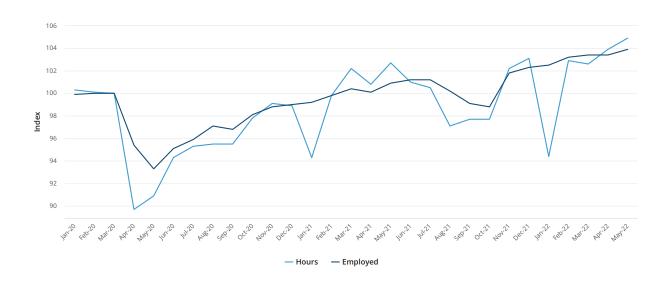
"The increase in May 2022 was the seventh consecutive increase in employment, following the easing of lockdown restrictions in late 2021. Average employment growth over the past three months (30,000) continues to be stronger than the pre-pandemic trend of around 20,000 people per month."

The employment to population ratio increased to 64.1 per cent in May, an all-time high and 1.6 percentage points higher than March 2020. It was also an all-time high for people between 15 and 64 years old, at 77.4 per cent (3.0 percentage points higher than before the pandemic).

Seasonally adjusted hours worked increased by 0.9 per cent in May, following a 1.3 per cent increase in April.

"In addition to the continuing trend of increasing employment, we have continued to see relatively stronger growth in hours worked. This is something we also saw this time last year, before the Delta outbreak," Mr Jarvis said.

# Seasonally adjusted employment and hours worked, indexed to March 2020



Source: Labour Force, Australia Tables 1 and 19

Despite the increase in total hours worked, there continued to be relatively high numbers of people working reduced hours.

"In line with rising numbers of COVID-19 cases in May, the number of people working reduced hours due to illness continued to be high. This reflected ongoing disruption associated with the Omicron variant and also an increasing number of cases of influenza," Mr Jarvis said.

"The number of people working fewer hours than usual due to own illness increased in May to around 781,000 people, almost double the usual number for this month.

"Of these people, around 312,000 worked no hours, which was more than double the normal amount.

"The increase in hours worked in May would have been even greater, had some of these people been able to work their usual hours."

With increases in both employment (61,000 people) and unemployment (8,000 people) in May, the participation rate increased by 0.3 percentage points to 66.7 per cent, a new record high.

"For the first time ever, more than two out of three Australians aged 15 and over were participating in the labour force," Mr Jarvis said.

"This was also a record high for people aged between 15 and 64 years, where it was more than four out of five people (80.6 per cent) in May."

The youth participation rate (those aged between 15 and 24 years) increased by 1.0 percentage points to 71.9 per cent, the highest since October 1996.

### Underemployment and underutilisation

The underemployment rate fell 0.4 percentage points to 5.7 per cent, the lowest rate since August 2008.

The underutilisation rate, which combines the unemployment and underemployment rates, decreased 0.3 percentage points to 9.6 per cent. This was at its lowest level since April 1982.

Today's release includes additional analysis of hours worked and historical charts showing data back to 1966.

Further information, including regional labour market information, will be available in the upcoming May 2022 issue of Labour Force, Australia, Detailed, due for release on Thursday 23 June 2022.

The ABS would like to thank Australians for their continued support in responding to our surveys during such a difficult time.

#### Media notes

- The May survey reference period was from 1 May to 14 May 2022. The June survey reference period is from 5 June to 18 June 2022.
- The numbers in the media release are rounded to the nearest thousand people. For more detailed numbers see the data downloads tab in the Labour Force, Australia publication.
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